

nib announces 2025 health insurance premium increase

- nib to increase its health insurance premiums by an average of 5.79%, effective 1 April 2025
- High healthcare costs, demands from private hospitals, and service utilisation impact premiums
- nib remains focused on delivering value for members

nib holdings limited (nib) (ASX: NHF) said its 2025 health insurance premiums will rise by an average of 5.79%, effective 1 April 2025, following approval by the federal Minister for Health, Mark Butler.

nib Managing Director and Chief Executive Officer, Ed Close, said: "The increase reflects higher healthcare costs, and increased utilisation of services. Medical costs remain high, especially hospital costs, wages, and medical supplies, which drive premiums up. nib has also renewed major contracts with Australia's private hospital sector in recent months, which is also reflected in our premium increase," he said. "Those contracts ensure access to services and limit out of pocket costs, which is important when members' budgets are already stretched."

nib also continues to expand its provider networks, with the introduction of 'Known Gap' in October 2024. Known Gap provides eligible members with capped out of pocket expenses when treated by a participating specialist. nib also expanded its 'No Gap' services, ensuring eligible members can access zero out of pocket costs across some general and preventative dental procedures, when treated at one of 200 participating dental centres across Australia.

Mr Close said nib's premium increase also includes the NSW Government's request for higher payment for private rooms in public hospitals, effective 1 January 2025. nib has a large number of members in NSW, and their premiums will reflect those higher bed rate payments. nib estimates this will cost more than \$20 million per annum.

"Private health insurance pays for around four of every five private hospital admissions," Mr Close said. "In FY24, nib funded \$1.88 billion in claims on behalf of Australian members, or about \$5.1 million in claims per day. Our premium increase strikes a balance between meeting increased healthcare costs, delivering value for members, and supporting a sustainable private healthcare sector," he said.

Mr Close said nib has attempted to limit the increase in premiums for all members, but especially those in lower-tier policies. "We are very motivated to deliver value for members," Mr Close said.

This announcement has been authorised for release by Roslyn Toms, nib Company Secretary.



Roslyn Toms
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